Investment in farm infrastructure

5127. SHRI K. NATWAR SINGH:
DR. T. SUBBARAMI REDDY:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have decided to formulate and unfold guidelines for incentives that would be provided to induce corporate and big companies for farm infrastructure;

(b) if so, whether Government have decided to extend facilities to big companies to invest in farm infrastructure, processing, packaging, storage, R&D and agricultural extension to enable them to become producers instead of being traders and processors;

(c) if so, the details or the guidelines prepared; and

(d) the details of the project that would be undertaken by them?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV) : (a) to (d) Taking into account various factors that limit agricultural productivity, quality of produce etc. such as inadequate investments in the sector, the Government contemplates facilitating and promoting association of corporates in the implementation of agri-export zones (AEZ). For this purpose, appropriate incentives may be provided, subject to their feasibility.

WTO farm draft

5128. DR. T. SUBBARAMI REDDY: Will the Minister of Agriculture be pleased to state:

(a) whether the WTO farm draft has neither been welcomed nor opposed by the Federation of Indian Chambers of Commerce and Industry;

(b) if so, whether they have pointed out that it is inadequate and may not go far enough in liberalizing the distorted agriculture trade;

(c) whether the revised draft in its current form does not reflect completely the spirit of Doha Declaration for reforming the distorted agriculture trade;

(d) if so, what are the drawbacks; and

(e) what steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV) : (a) and (b) Yes Sir.

(c) and (d) In the Doha declaration Ministers agreed to negotiation on agriculture aimed at substantial improvement in market access; reduction of,

with a view to phasing out all forms of export subsidies; and substantial reduction in trade distorting domestic support. The revised draft of modalities for negotiations on agriculture does not provide an appropriate balance between the further commitments on market access on the one hand and the proposed commitments on export competition and domestic support on the other.

(e) The Government is continuously raising these issues in the Special Sessions of the World Trade Organisation (WTO) Committee on Agriculture where the negotiations on WTO Agreement of Agriculture are being carried out with a view to establishing modalities for negotiations on agriculture that are consistent with the Doha Declaration The negotiations are scheduled to be concluded by 1st January, 2005.

Hike in prices of full cream milk by Mother Dairy

†5129. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI KAPIL SIBAL:

Will the Minister of AGRICULTURE be pleased to state :

(a) whether it is a fact that the Mother Dairy have hiked the prices of full cream milk in the recent past;

(b) if so, the extent to which the same have been hiked;

(c) the annual additional amount estimated to be obtained by the Mother Dairy thereby; and

(d) the reasons for the hike in the prices of full cream milk?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV) : (a) Yes, Sir.

(b) The consumer price is full cream milk in poly pack has been increased from Rs. 17/- to Rs. 18/- per liter with effect from 8-4-2003.

(c) The price increase in full cream milk is to meet the cost of production. No additional profit is being generated due to the price increase.

(d) The increase in full cream milk price is mainly due to the higher prices being paid to the State Cooperative Dairy Federations for supply of milk and increase in other costs.

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†Original notice of the Question was received in Hindi.